

Georgia Government increases customs tax rates on imports

Parliament has approved some changes in Georgian tax code. By correcting custom taxes will be helping on local manufacturing. Although in 12 percent taxation regime appeared on some products, which are not being produced in Georgia, for example, hygienic, building and construction goods. This taxation regime will affect on imported products from the countries with which Georgia does not have free trade contract. The largest part of imported products in Georgia comes from, Turkey, Ukraine and Azerbaijan, to which the Georgia has the free trade contract. Georgia does not have a free trade contract with Euro union. Therefore products imported from European Union will apply to new tax regime and will appear on increasing the prices. Tax code changes will also affected: for importing similar and same type of products;

For example, 12 percent customs rates will apply the import of fresh potatoes, fresh vegetables (carrot, turnip, etc), as well as frozen or canned vegetables, fresh or frozen cucumbers, aromatic teas, sunflower oil, sugar varieties, sugar syrups, artificial honey, chocolate covering products as well as packed or unpacked will be taxed heavier.

12 percent customs rates will also apply the import of construction and renovation materials. The list of the production is defined: panels, tiles, blocks and analogue cement and gypsous or other mineral substance production, black metal constructions and its parts, all types of nails, all types of logs, plasmas tubes, plasmas floor, wall and ceiling covers, plasmas tiles, papers, films, stripes and tape, bath and kitchen furniture, dishes and stoves, including heating and food cooking stoves, jewelry, precious metal jewelry parts, natural or cultivated diamonds, precious or semi-precious stones as well as bijouterie and printed production shampoos and other hygienic products.

But some of tropical products will still apply the 0 percent customs rate, on the following imported products: Coconut, date, fig, pineapple, citrus or melon and watermelon skin (fresh, frozen, dry or short-term keeping, salt-canned, sulphate-canned or other temporarily canned solutions); green tea of less than 3 kg, fermented or partly fermented black tea, maize, avocado, guava, peanut oil, processed or other types of grains, sugar and maple syrup, chemically clean fructose, fructose syrup, sugar confectionery, ready-made confectionery from grains, flour, starch and milk, fruit, nuts and valid plants, also canned ones, made with the addition of vinegar or vinegar acid. The Georgian government has overstepped a lot of bureaucratic procedures and has eased up the custom procedures.

[For further detailed information please see the attachment.](#)